



February 12, 2014

Item No. 8

**AUTHORIZATION TO ENTER INTO A NEW INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF CHICAGO'S DEPARTMENT OF ADMINISTRATIVE HEARINGS**

**To the Honorable Board of Commissioners:**

**RECOMMENDATION**

It is recommended that the Board of Commissioners ("Board") authorize the Chief Executive Officer or his designee to enter into a new intergovernmental agreement ("IGA") with the City of Chicago's Department of Administrative Hearings ("DoAH") to provide formal administrative hearings for CHA residents for the period of April 1, 2014 through March 31, 2017 for an amount not-to-exceed \$75,000, and at the discretion of the Chief Executive Officer or his designee, subject to funding availability and satisfactory contract performance, exercise the IGA's one, 2-year option term for an amount not-to-exceed \$50,000 for the period of April 1, 2017 through March 31, 2019.

The Executive Vice President of Finance ("EVP"), the Office of the General Counsel and the Office of Procurement have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

**FUNDING**

General Funding

<b>Vendor:</b>	City of Chicago, Department of Administrative Hearings
<b>Vendor Address:</b>	740 North Sedgwick Street Chicago, IL 60610
<b>Contract Type:</b>	Professional Services
<b>Original Contract Amount:</b>	\$75,000.00 for 3-year term
<b>Original Contract Term:</b>	April 1, 2014 through March 31, 2017
<b>Option Term Amount:</b>	\$50,000 One, 2-year option (April 1, 2017 - March 31, 2019)

**MBE/WBE/DBE Participation:** N/A

**Section 3:** Not feasible

**EXPLANATION**

CHA's Admissions and Occupancy Policy ("ACOP") provides for a Grievance Procedure for tenants, whose occupancy rights are terminated for various violations of HUD regulations, except for tenants terminated because of criminal violations, which are not subject to the Grievance Procedure. Under the Grievance Procedure, a tenant's grievance is initially heard by CHA's Private Property Manager on an informal basis. If the tenant is dissatisfied with the outcome, that tenant has a right to file for a formal grievance hearing. Prior to 2004, attorneys in the Office of the General Counsel acted as the administrative hearing officers to hear the tenants' grievances and adjudicated tenants' formal

grievances. CHA amended its Grievance Procedure in the late part of 2003 requiring impartial administrative hearings.

DoAH's function is to provide administrative hearings for the City. Therefore, it was in a unique position to assist the CHA with this particular governmental service, although the City Council had to pass an ordinance in 2004 allowing DoAH to hold administrative hearings on behalf of the CHA. This will be the third IGA with DoAH since 2004 and will allow the CHA to continue its formal Grievance Procedure that was implemented in 2004, utilizing DoAH's impartial administrative hearing officers. Specifically, the IGA continues to allow CHA residents to participate in formal grievance hearings before independent hearing officers at DoAH's offices. The IGA utilizes DoAH's existing administrative procedures to schedule and hold the hearings as well as report the results to CHA and residents.

Under previous IGAs with DoAH, hearing officers have been trained regarding applicable HUD regulations, federal statutes, and CHA policies and procedures, including but not limited to, the CHA's amended Resident's Grievance Procedure and the CHA Leaseholder Housing Choice and Relocation Rights Contract 10/1/99. The CHA forwards residents' requests for formal hearings to DoAH. Then DoAH appoints a hearing officer to adjudicate each case based on the officers' workload and availability. The hearing officer schedules and holds the formal hearing within a specified timeframe and notifies the parties of the time and location for the hearing, as outlined in the amended Grievance Procedure. If requested by the resident, DoAH provides reasonable accommodations to persons with disabilities. This may include holding hearings in an alternative location and/or providing all materials and notices in an accessible format. After the hearing, the hearing officer prepares a decision and a written summary of the hearing and sends it to the appropriate parties, also as outlined in the amended Grievance Procedure.

The average cost of an administrative hearing through DoAH has been approximately \$375 based on 5 hours for the hearing officer at \$60 per hour plus a \$75 filing fee for each case. Over the past 5 years, CHA has averaged approximately 40 - 60 formal grievance hearings with DoAH per year.

The Board action recommended in this item complies in all material respects with all applicable Chicago Housing Authority board policies and all applicable federal (HUD) laws.

The EVP of Finance concurs with the recommendation to enter into a new IGA with DoAH for an amount not-to-exceed \$75,000 for a 3-year base term, and at the discretion of the CEO or his designee, to exercise the IGA's one 2-year option term, subject to funding availability and satisfactory contract performance, for an amount not-to-exceed \$50,000.

The CEO/President recommends entering into a new intergovernmental agreement ("IGA") with the City of Chicago's Department of Administrative Hearings ("DoAH") to provide formal administrative hearings for CHA residents for the period of April 1, 2014 through March 31, 2017 for an amount not-to-exceed \$75,000, and at the discretion of the Chief Executive Officer or his designee, subject to funding availability and satisfactory contract performance, exercise the IGA's one 2-year option term for an amount not-to-exceed \$50,000 for the period of April 1, 2017 through March 31, 2019.

**RESOLUTION NO. 2014-CHA-21**

**WHEREAS,** the Board of Commissioners has reviewed the Board letter dated February 12, 2014 entitled "AUTHORIZATION TO ENTER INTO A NEW INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF CHICAGO'S DEPARTMENT OF ADMINISTRATIVE HEARINGS";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a new intergovernmental agreement ("IGA") with the City of Chicago's Department of Administrative Hearings ("DoAH") to provide formal administrative hearings for CHA residents for the period of April 1, 2014 through March 31, 2017 for an amount not-to-exceed \$75,000, and at the discretion of the Chief Executive Officer or his designee, subject to funding availability and satisfactory contract performance, exercise the IGA's one 2-year option term for an amount not-to-exceed \$50,000 for the period of April 1, 2017 through March 31, 2019.

